

2

NOTATION PAGE

Form Approved
OMB No. 0704-0188

AD-A212 936

ted to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503.

RT DATE

3. REPORT TYPE AND DATES COVERED

July 1989

4. TITLE AND SUBTITLE

Total Quality Management Implementation Plan
Defense Depot Ogden

5. FUNDING NUMBERS

6. AUTHOR(S)

7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES)

Defense Depot Ogden
Ogden, UT

8. PERFORMING ORGANIZATION
REPORT NUMBER

9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)

10. SPONSORING/MONITORING
AGENCY REPORT NUMBER

11. SUPPLEMENTARY NOTES

12a. DISTRIBUTION/AVAILABILITY STATEMENT

Approved for Public Release, Distribution is Unlimited.

12b. DISTRIBUTION CODE

13. ABSTRACT (Maximum 200 words)

This document discusses the implementation of TQM by Defense Depot Ogden. It includes information concerning TQM concepts, methodology for implementing TQM at Ogden, goals for improvement and milestones.

DTIC
ELECTE
SEP 29 1989
S E D

14. SUBJECT TERMS

TQM (Total Quality Management), Continuous Process Improvement,
Depot Operations, Process Action Teams

15. NUMBER OF PAGES

16. PRICE CODE

17. SECURITY CLASSIFICATION
OF REPORT

UNCLASSIFIED

18. SECURITY CLASSIFICATION
OF THIS PAGE

UNCLASSIFIED

19. SECURITY CLASSIFICATION
OF ABSTRACT

UNCLASSIFIED

20. LIMITATION OF ABSTRACT

UL

D R A F T

**TOTAL
QUALITY
MANAGEMENT
IMPLEMENTATION PLAN**

DEFENSE DEPOT OGDEN
OGDEN, UTAH

Accession For	
NTIS GRA&I	<input checked="checked" type="checkbox"/>
DTIC TAB	<input type="checkbox"/>
Unannounced	<input type="checkbox"/>
Justification	
By	
Distribution/	
Availability Codes	
Dist	Avail and/or Special
A-1	



Prepared By:
Methods and Standards Branch
Management Engineering Division
Office of the Comptroller

89 9 29 034

A Message From The Commander On
Total Quality Management

I fully support the DLA approach to Total Quality Management. As stated by General McCausland, USAF, Director, DLA, Total Quality Management is not the usual "Quality Assurance" approach with which we are all familiar. Total Quality Management is a philosophy of quality in our life - how we think, act, conduct business, and interact with others.

Total Quality Management is a means of continuously improving the processes which affect our lives. TQM demands commitment, participation, and continuous improvement starting with the top executive of the organization.

As you read the DDOU Total Quality Management Implementation Plan, I ask that you reflect on the application of quality in your work, in how you manage, and in how you lead. Total Quality Management has my fullest commitment. As you become familiar with Total Quality Management I am sure you will share my commitment to institutionalize TQM at DDOU and achieve the Depot's Principles of Performance.

A. P. TULLY
Captain, SC, USN
Commander

CONTENTS

SECTION

Concepts	1.
TQM Basics	2.
Philosophy	3.
TQM at DDOU	4.
Methodology	7.
TQM Structure	8.
Responsibilities	10.
Improvement Cycle	13.
Tracking TQM Projects	14.
Goals	16.
Develop Trained Workforce	17.
Integrate Existing Initiatives	18.
Harmonize Directives	19.
Demonstrate Commitment to Quality	20.
Recognition and Award System	20.
Feedback and Communication System	21.
Institutionalize TQM at DDOU	21.
Execution	22.
Milestones	23.
Appendices	
Glossary of Terms	
Initiatives	
Principles of Performance	
TQM - PFK Matrix	
Forms	

CONCEPTS

CONCEPTS

TQM BASICS

Total Quality Management (TQM) is a DoD/DLA initiative for continually improving performance at all levels. Total Quality Management is not just a program - it is a long term cultural change. TQM involves every aspect of responsibility, such as cost, quality, mission, and work environment. TQM combines management philosophy and techniques, new and existing improvement efforts, and specialized technical skills under a disciplined structure to focus on continuously improving processes. TQM demands commitment and discipline, relying on people and involving everyone.

Total Quality Management is the application of scientific methods and human resources to assess and improve:

- Materials and services supplied to the organization
- Systems and processes within the organization
- Meeting the present and future needs of the customer, both internal and external

Total Quality Management establishes a philosophy of trust, growth, and commitment in the way we manage our resources and conduct business. By applying the TQM philosophy we will realize continual improvement of our work force, environment, and processes resulting in higher quality in the services we provide. TQM involves everyone at every level. TQM is:

- A systematic process for improving products and services
- A structured, disciplined approach to identify and solve problems

CONCEPTS

- A participatory work style, conveyed by management actions and commitment, which involves the creativity and ideas of all employees
- Long term improvement, practiced by everyone
- Supported by statistical process control (SPC)

KEY ELEMENTS

- * TOP MANAGEMENT COMMITMENT
 - * MEETING CUSTOMER NEEDS
 - * FOCUS ON CONTINUOUS IMPROVEMENT
 - * TEAM WORK AND PARTICIPATION BY EVERYONE
-

The DLA philosophy of Total Quality Management is continuous improvement of processes in an enriched work environment. Adopting this philosophy requires a cultural change in the way we do business. DLA will realize major long term gains from TQM in the quality of our products and services. TQM brings together existing improvement efforts and specialized technical skills under a disciplined structure to focus on improving all processes. Increasing customer satisfaction is the overriding objective of Total Quality Management.

TQM IN DLA

Total Quality Management philosophy is directed at achieving continuous improvement, realized by focusing on the processes that create products and services. Continuous improvement results from an environment in which employees are given the power

CONCEPTS

to make improvements within these processes. By focusing on the process and listening to the ideas and suggestions of those who work in the process, management can bring about improvements. Total Quality Management requires a consistency of purpose aimed at:

- Continuous process improvement
- Understanding and satisfying customers' needs
- Increasing quality products and services

KEY ELEMENTS

- * CULTURAL CHANGE REQUIRED
 - * LONG TERM GAINS
 - * ENCOMPASSES EXISTING IMPROVEMENT EFFORTS
-

Defense Depot Ogden fully supports DLA's Total Quality Management initiatives for continuous improvement. Our objective at DDOU is to institutionalize TQM at every level and achieve the Depot's Principles of Performance. The Principles of Performance are DDOU's philosophy statement which serves to provide consistency of purpose to Total Quality Management.

TQM AT DDOU

As stated in the Principles of Performance, our long range goals are to continually earn our reputation as a leader in DoD distribution by emphasizing quality and exceeding the expectations of our customers. Through TQM we can streamline our organization, reduce costs, and continuously strive for quality. As a basis for improving the quality

CONCEPTS

of processes and services provided at DDOU, we will understand the needs of our external and internal customers. The continuous improvement of processes will result in increased quality in the services we provide.

At DDOU, the Pay for Knowledge (PFK) demonstration project will provide the framework necessary for Total Quality Management implementation. The basic principles of PFK coincide with those of Total Quality Management - long term gains realized through increased employee participation and systems improvement.

Implementing Total Quality Management will require the establishment of specific goals for TQM improvement projects in all areas of the Depot. It will also require measurement and tracking of these projects. Successful implementation of Total Quality Management requires:

- Long term organizational goals
- Participation of all employees to bring about an enriched work environment
- Instituting an organized training and education program
- Using formal, structured process improvement techniques
- Teamwork at all levels, in all situations

Through TQM initiatives such as Pay for Knowledge, we are creating an environment of trust and respect.

CONCEPTS

where teamwork is fostered and encouraged as a normal way of business. We are expanding our initiatives in depot modernization, human resource management, quality of work life, and work force participation to increase our productivity. This will give us a long term advantage in the pursuit of expanded missions and additional missions. By ensuring our competitive advantage and continually improving our work processes, we stand to gain by attracting an increasing work load. The application of new technology to the greatest advantage in our functional and support areas ensures increasing responsiveness.

As public servants we are sensitive to the concerns of the community. Through Total Quality Management initiatives we encourage the Depot work force to seek ways of reducing costs while continually improving how we do business and the environment we work in. We continually improve the efficient and effective management of our resources, exploring ways in which we can reduce costs and eliminate areas with marginal payback. We are aware of the environmental concerns of our community and maintain our hazardous materials and waste program with quality and concern for the community in which we live and work.

KEY ELEMENTS

- * LONG RANGE GOALS
 - * INCREASED EMPLOYEE PARTICIPATION
 - * CONTINUOUS IMPROVEMENT
-

METHODOLOGY

METHODOLOGY

Establishing Total Quality Management as a way of life for DDOU requires development of a TQM structure, identification of responsibilities, and establishment of goals. Also required is a means of tracking implementation and improvement progress. DDOU has established a TQM project manager in the Office of the Comptroller, Management Engineering Division, to coordinate all implementation activities. To assure involvement of all areas of the Depot a TQM Consulting Team was formed. The Consulting Team includes members from all Directorates, who will oversee TQM activities and coordinate improvement actions throughout DDOU. Process Action Teams (PATs) will be formed to solve problems within our processes.

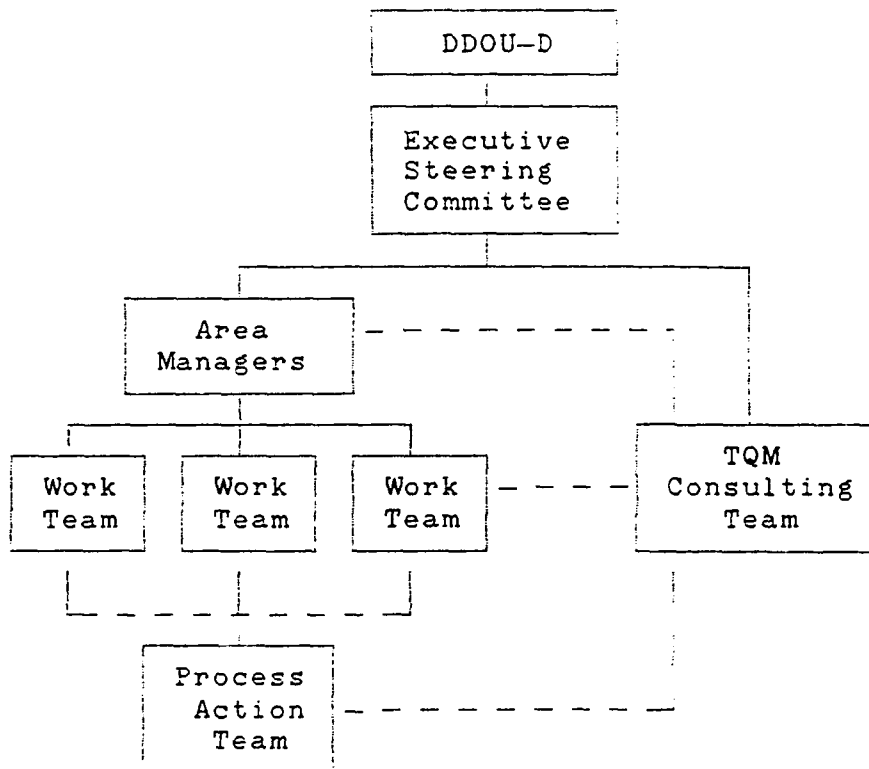
HOW TO

KEY ELEMENTS

- * TEAM STRUCTURE
 - * ESTABLISH GOALS
 - * FOLLOW-UP TO TRACK PROGRESS
-

A TQM organizational structure will be established to facilitate improvement projects at DDOU. This structure will follow the current organization structure as much as possible. PFK creates the team organizational structure for the Depot. The organizational structure for TQM 'piggybacks' on the workteam/manager structure developed under PFK. Team emphasis and participation of all Depot employees is important to the continuous improvement of processes and systems and in creating an enriched environment.

STRUCTURE



The staff element having primary responsibility for the improvement project will determine the PAT membership and appoint a team leader. As PATs are formed, a member of the TQM Consulting Team will be assigned to support each PAT. The TQM Consulting Team member will keep the manager and Executive Steering Committee (ESC) member informed on the progress of each PAT. Managers will meet with the PAT as necessary, at least once a month. As projects are completed they will be presented to the ESC.

In areas where several work teams perform the same tasks within one process a member from each work team will be included on the PAT. PATs will also include employees from different phases of the process and employees from areas which may be affected by the process improvement project. This will incorporate upstream and downstream knowledge of the process and facilitate communication between work teams.

METHODOLOGY

KEY ELEMENTS

- * PATs FORMED OUT OF WORKTEAMS
 - * INCORPORATE UPSTREAM AND DOWNSTREAM KNOWLEDGE
 - * COMPLETED PROJECTS PRESENTED TO ESC
-

Executive Steering Committee (ESC)

The Executive Steering Committee (ESC) is comprised of the Depot Commander and Directors. The ESC will establish the overall TQM goals for DDOU and act as TQM advocates within their Directorates. The ESC will establish the policies and initiatives of TQM activities at DDOU and will identify potential areas for TQM improvement projects.

RESPONSIBILITY

ESC

TQM Consulting Team (TQM Team)

The TQM Consulting Team (TQM Team) will serve as advisors and coordinators for TQM initiatives at DDOU. The TQM Team is responsible for training managers, facilitators and work teams on TQM concepts, principles, and applications and tracking TQM activities throughout the Depot. They will also train managers, facilitators, and work teams on statistical process control (SPC) techniques and technical skills such as data collection and analysis. The TQM Team will work with the ESC and managers to provide a path in the organization for improvement initiatives. The TQM Team and Work Team Facilitators will assist these improvement initiatives by providing support to the Process Action Teams (PATs), such as assisting the PATs in securing resources and opening communications between PATs, managers, and the ESC. The TQM Team and Work Team Facilitators will guide the efforts of the PATs

TQM TEAM

METHODOLOGY

by meeting with them and focusing on the team process, not product. The TQM Team will represent the interest of the PATs to the ESC, will ensure changes made by the PATs are implemented, and will assist in implementing changes which the PATs cannot make. The TQM Team and Work Team Facilitators will work with PAT team leaders to assist in developing reports and charts, and in planning tasks for future meetings. The TQM Team will facilitate the PATs efforts, providing support to improvement projects in all areas.

Managers

Managers will work with the TQM Team and work teams to identify specific goals or expected outcomes of TQM improvement projects. Managers will prepare a mission statement for PATs to define the boundaries of these projects. The PAT mission statement will include what process or problem to study, boundaries or limitations (including time and money), the magnitude of improvement the PAT is expected to make, and the scheduled beginning date (if a target completion date is necessary it will also be included). The mission statement will also state what authority the PAT has to call in co-workers and outside experts, request equipment or information, and make changes in the process. Also stated will be how often the manager expects to meet with the PAT and the date of the first joint meeting. Managers will also select the team members and team leader for the PAT and will determine the resources for the PAT - training needed, budget, equipment, specialists needed to advise the team, time allotted so PAT members can complete the project, and how PAT members normal work will get done.

MANAGERS

METHODOLOGY

Work Team Facilitators

Facilitators have been established under PFK to assist work teams. Facilitators will be trained in interpersonal, group development, and facilitator skills and will support teams in performing their duties through coaching in the techniques of participative management and team development. Team Facilitators will also be trained in TQM concepts and technical skills to assist work teams and PATs with process improvement projects. Team Facilitators will aid in the development of interrelationships of team members and group dynamics of the teams. Team Facilitators will work with TQM Consulting Team members in support of TQM improvement projects and will keep the Consulting Team informed of the progress and actions of the PATs.

WORK TEAM FACILITATORS

Process Action Teams (PATs)

Participation on a PAT is a priority responsibility, not an intrusion on team members' real jobs. The project is a part of their real job. PAT members are responsible for TQM improvement projects, including data collection and analysis, and implementing changes. Between team meetings PAT members will be required to complete assignments such as interviewing, gathering data, and writing reports.

KEY ELEMENTS

- * ESC ESTABLISH TQM POLICIES AND GOALS
 - * MANAGERS IDENTIFY IMPROVEMENT PROJECTS
 - * TQM TEAM PROVIDE SUPPORT FOR PATs
 - * PATs FORMED TO SOLVE PROCESS PROBLEMS
 - * FACILITATORS SUPPORT TEAM WORK
-

METHODOLOGY

At DDOU, TQM goals will be translated into improved processes and services through the use of a continuous process improvement cycle. The process improvement cycle is composed of six steps:

IMPROVEMENT CYCLE

1. Identification of work processes through the application of flow charting methods.
2. Identification of critical control points for product measurement within the process
3. Identification and prioritization of improvement opportunities
4. Application of problem solving techniques to develop the best solutions
5. Implementation of the best solution
6. Monitoring effectiveness of the solution, re-evaluate when necessary

Measurement data will be used to determine if process analysis and improvement techniques are successful.

KEY ELEMENTS

- * FOCUS ON IMPROVING PROCESS
 - * CONTINUOUS IMPROVEMENT CYCLE
 - * MEASUREMENT DATA TO DETERMINE SUCCESS OF IMPROVEMENT
-
-

METHODOLOGY

Institutionalizing Total Quality Management involves the establishment of long range goals, as well as short range goals. At DDOU the long range goals have been established by the ESC as the Depot's Principles of Performance. General short range goals will be identified by the ESC as specific areas with potential for a TQM improvement project. As these areas are identified, the area manager will prepare a TQM Project Overview form (Appendix E) which will identify the process or problem and state the goal or expected outcome of the TQM project. This form will be sent to the TQM Consulting Team who will assign a TQM Team member to work with the area manager and project PAT.

TRACKING
TQM PROJECTS

The TQM Team member will work with the area manager to prepare the PAT Mission Statement (Appendix E). The PAT Mission Statement will define the problem or process to study and create a PAT. The PAT Mission Statement will set the boundaries or limitations of the PAT, the magnitude of improvement expected, resources allocated, and the authority of the PAT to request information, equipment, or assistance. As the guiding document for the PAT, this mission statement will also include the scheduled beginning date (and target completion date if necessary), frequency of meetings between the PAT and the area manager, date of the first meeting, and the names of the PAT members and team leader. Copies of the PAT Mission Statement will be provided to members of the PAT, the assigned TQM Team member, and the area manager.

After the PAT has been formed and trained in problem solving and data collection techniques they will begin by reviewing the purpose of the PAT. The improvement cycle will be utilized as the PAT studies the process or problem, analyzes data, and seeks a solution. A copy of each meeting record and updated milestone charts will be kept by the PAT team leader and TQM Team member. Some PATs may be assigned a Work Team Facilitator instead of a TQM Team member. In these cases the Work Team Facilitator will provide copies of the PAT Mission Statement, meeting records, and milestone charts to the TQM Team member.

METHODOLOGY

The PAT will prepare a report and present its solution to the ESC and area manager. The project will be considered complete when the PAT presentation has been given and the ESC signs the lower portion of the TQM Project Overview.

Monthly meetings will be held by the ESC during which the TQM Consulting Team will report on the progress of PATs and TQM projects throughout the Depot.

KEY ELEMENTS

- * TQM PROJECT OVERVIEW IDENTIFIES
PROCESS AND GOAL OF PROJECT
 - * PAT MISSION STATEMENT ESTABLISHES
PAT, DEFINES BOUNDARIES OF PROJECT
 - * SOLUTION PRESENTED TO ESC
 - * TQM TEAM REPORT PAT PROGRESS TO ESC
-

GOALS

GOALS

At DDOU our Total Quality Management implementation plan begins with training. It is necessary to institute an extensive program of education and training to help people do a better job and remove barriers while instituting leadership in the organization. TQM requires commitment, participation, and dedication at all levels of the workforce. This training must begin at the top and flow downward throughout the entire organization. DDOU training will consist of:

- Introduction of TQM concepts to directors, managers, supervisors, and employees.
- Training the TQM Consulting Team who will serve as internal consultants to support TQM throughout the Depot.

The TQM Consulting Team and Team Facilitators will meet with PATs and managers to give training in TQM concepts and technical skills such as SPC, Just-in-Time (JIT), and other measurement and improvement methods.

A continuous structured program of education and training is necessary to successfully implement TQM. Training requirements consist of:

Deming's 'Methods of Management'
Seminar for top management.

'Investment in Excellence' training /
for the entire workforce.

'Group Action' training for all /
supervisors.

TQM and SPC orientation for top
management, TQM Consulting Team
members, and division representatives.

SPC technical skills for the TQM
Consulting Team and division
representatives.

DEVELOP A
TRAINED
WORKFORCE

GOALS

TQM principles and SPC skills training for PATs, facilitators, and managers.

Job knowledge certification which will provide the mechanism for employees to learn additional skills and qualify to perform every job function within their assigned team.

KEY ELEMENTS

- * EXTENSIVE EDUCATION/TRAINING PROGRAM
 - * INSTITUTE LEADERSHIP
 - * COMMITMENT, DEDICATION, PARTICIPATION
-

There are many existing improvement initiatives at DDOU which contain the principles of continuous improvement as defined in Total Quality Management. These initiatives will be drawn together under the TQM umbrella. Each initiative will be reviewed for the purpose of modification or refinement to ensure integration with TQM. The guiding principles of Total Quality Management which existing initiatives will be reviewed against are:

- * PEOPLE - The most important resource in our organization is people.
- * CUSTOMERS - Our commitment is to meet the needs of our customers and to achieve a reputation for excellence with all customers.

INTEGRATE
EXISTING
INITIATIVES

GOALS

- * QUALITY - A philosophy of 'good enough' has no place in our organization.
 - * COMMUNICATION - Our organization believes in and practices open and forthright communication.
 - * INTEGRITY - We recognize our responsibility to practice high ethical standards in all we do.
-

DDOU operates under policies, guidelines, regulations, and laws from both external and internal sources. To ensure that Total Quality Management is institutionalized at DDOU and fully integrated into the culture of our work environment, it is essential that these directives promote participation and continuous improvement of processes. This is necessary to remove barriers, both internally and externally, to communication and pride in workmanship. As Total Quality Management becomes a way of life, management must remove contradictory signals and promote consistency of purpose with the TQM philosophy. Directives, instructions, and attitudes will be reviewed with the intent to harmonize our actions with the TQM approach.

HARMONIZE DIRECTIVES

KEY ELEMENTS

- * CONSISTENCY OF PURPOSE
 - * PROMOTE PARTICIPATION AND
CONTINUOUS IMPROVEMENT
 - * REMOVE BARRIERS TO COMMUNICATION
-

GOALS

The active participation of the entire DDOU team is the foundation for Total Quality Management. The success of TQM depends on total commitment to quality, directed at customer satisfaction. By focusing our efforts on improving the processes used to stock, store, and distribute material to our customers, we will streamline our organization and reduce Depot operating costs. This will ensure that Depot stock is of the highest quality and meets the customers' needs.

COMMITMENT TO QUALITY

KEY ELEMENTS

- * TOTAL COMMITMENT TO QUALITY
 - * DIRECTED AT CUSTOMER SATISFACTION
-

Recognition and awards for deserving teams and individuals will continue under existing programs. These programs will be enhanced to reward and publicize Total Quality Management success stories and achievements. Appropriate recognition and reward of TQM efforts is essential for Total Quality Management to succeed. Recognition and rewards must be based on favorable TQM activity and behavior and discourage actions contrary to TQM. Recognition and awards must take into consideration current incentives, how these incentives affect TQM, how incentives should be altered to encourage TQM, and what new incentives may be necessary.

RECOGNITION AND AWARDS

KEY ELEMENTS

- * BASED ON TQM ACTIVITY
 - * ENHANCE EXISTING PROGRAMS
-

GOALS

Feedback and communication are essential to the Total Quality Management participative work environment. Feedback and communication systems will be developed and enhanced to provide for sharing of information and ideas. Communication between workteams, managers, PAT members, TQM Consulting Team members, and ESC members will be enhanced to ensure the flow of information is multi-directional. Feedback and communication are inherent to developing new ideas and improving our processes and systems. Existing feedback systems in the functional areas which measure customer satisfaction will be revised to facilitate evaluation of process improvement projects and TQM implementation. Communication systems such as the Depot Hub news publication and newsletters will be used to share information with all employees concerning successful improvement initiatives and other TQM activities.

FEEDBACK AND COMMUNICATION

KEY ELEMENTS

- * MULTI-DIRECTIONAL COMMUNICATION
- * SHARING INFORMATION AND IDEAS
- * FEEDBACK ON IMPROVEMENT PROJECTS

The objective at DDOU is to incorporate Total Quality Management into everyday life so that the principles, training, and practices of continuous improvement become routine. When continuous process improvement becomes the normal means of operation throughout all levels of employees at the Depot, the TQM label will fade from use. This can only be achieved through the commitment and participation of top management at DDOU. Leadership commitment will be enhanced through continuous training and education to introduce the TQM philosophy to all levels of the workforce.

INSTITUTING TQM AT DDOU

EXECUTION

MILESTONES

EXECUTION

This portion of the TQM Implementation Plan contains the actions DDOU is taking to implement TQM throughout the Depot. Listed on the following page are the events necessary to complete major milestones for the institutionalization of TQM at DDOU. Each general event will be supported by detailed events and progress will be monitored through DDOU's established Strategic Plan process.

TQM MILESTONE AND PROGRESS CHART																						
		FY 89											FY 90									
No.	Event	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
1	Est Steering Committee	▼																				
2	Determine Trng Needs			▼																		
3	Form Consulting Team	▼																				
4	Deming Seminar	■	■	■	■	■	■		»	-	-	-	-	-	-	»						
5	Publish Implemt. Plan				■	■		»														
6	Education & Training				*																	
6a	Contract TQM/SPC Trng					▼																
6b	TQM Overview (Mgr/Dir)								»													
6c	TQM/SPC Trng								»													
6d	TQM Team Project								»													
6e	Prepare Trng for PATs								»													
6f	Begin PAT Training									*												
7	Integ. Exist. Initiat.									»												
8	Harmonize Directives									*												
9	Commitment to Quality					*																
9a	Community Outreach Prg					*																
9b	Customer Interface Prg					*																
10	Recognition/Awards Prg											»										
11	Feedback/Communica Sys										»											

LEGEND

» Event Target

- Revision

* On Going Activity

■ Percentage of Activity Completed

▼ Correlated Activity

APPENDIX A

GLOSSARY OF TERMS

GLOSSARY OF TERMS

- Just-In-Time - A structured approach focused on improving quality, productivity, and competitiveness utilizing modified materiel planning, cooperative supplier relationships, manufacturing focus on set-ups and lot sizes, near zero inventory queues, streamlined operations flow, specialized material handling, people focus on problem solving, process capability studies and elimination of waste.
- Process - A series of actions performed to accomplish a specific task.
- Process Improvement Cycle - An analytical method for improving processes. The process improvement cycle consists of:
identification of work processes;
identification of critical control points for measurement;
identification and prioritization of improvement opportunities;
development of solution;
implementation of solution; monitor solution effectiveness and re-evaluate.
- Productivity - The efficiency with which resources are used to effectively produce a government service or product at special levels of quality and timeliness.
- Quality - The extent to which a product or service meets customer requirements and is fit for use.

Statistical Process Control - A measurement method used for assessing the performance of processes utilizing the following tools: cause & effects diagrams, flow charts, pareto charts, run charts, histograms, control charts, and scatter diagrams.

Total Quality Management - A strategy for continuously improving performance at every level and in all areas of responsibility.

ABBREVIATIONS

DDOU - Defense Depot Ogden, Utah
DLA - Defense Logistics Agency
DoD - Department of Defense
ESC - Executive Steering Committee
JIT - Just-In-Time
PAT - Process Action Team
SPC - Statistical Process Control
TQM - Total Quality Management

APPENDIX B

INITIATIVES

INITIATIVES

Model Installations Program

The Model Installations Program (MIP) serves to help employees share ideas and resolve inconsistencies they find with the TQM and Investment in Excellence philosophies and that of DDOU. The MIP program is beneficial in breaking down barriers, both internal and external. Through MIPs employees feel that they are heard, have power to make changes, and are rewarded quickly for their good ideas.

Training

Investment in Excellence

Investment in Excellence training focuses on the individual - acceptance of change, self-awareness, and improvement. This is helpful in removing internal barriers and to assist in reaching our full potential. Because people are our most valuable resource we must first assist them in self-growth and development, better enabling them to accept changes as they occur and to seek changes which will improve their work processes and environment. Investment in Excellence is the first step in preparing for the changes to come. The greatest challenge for Total Quality Management is to change the mindset of our supervisors and managers. The foundation for this is laid in Investment in Excellence.

Group Action

Group Action training assists managers and supervisors in understanding the participatory work environment. Group Action focuses on team building,

group dynamics, leadership skills, and increasing employee participation. This is essential if we are to expect supervisors and managers to change to the participatory management style necessary for Total Quality Management. Group Action also trains supervisors and managers in the skills necessary to guide teams in problem solving techniques.

Quality of Worklife

Quality of Worklife projects seek to improve the work environment and make people feel good about coming to work. QWL projects continue throughout the Depot. These include projects such as:

- Establishment of a child care facility for all employees
- A modern physical fitness center and the development of an employee wellness program
- Improved lunchrooms, restrooms, and lighting in the work areas
- Establishing parking close to worksites and installing air conditioning, additional water fountains, and dumpster compactors in the work areas

Improvements such as these help to motivate employee performance and improve morale throughout the workforce. Improving the Depot work environment makes it easier for employees to concentrate on improving the processes they work with.

Pay for Knowledge

The Pay for Knowledge (PFK) demonstration project is a key force in moving DDOU toward Total Quality Management. PFK will provide the Depot with the organizational structure to install TQM, based on multi-skilled workteams and a formally established participatory work environment. PFK also strives for constancy of purpose in the continuous improvement of processes and services by the entire workforce. This will aid in removing barriers to pride in workmanship by investing employees with authority at the work process level and in breaking down barriers between staff areas through teamwork.

Workforce Certification Program

The Workforce Certification Program (WCP) will support PFK. The multi-skilled work teams created by PFK will be required to learn the many tasks needed to perform the work of the team. WCP is a formally structured means of providing training and certification for the skills and knowledge required for each team's work. As employees learn and are certified to these tasks they will promote themselves to higher levels of the teams' payband. WCP will provide DDOU with a program for continual education and training, helping employees to do their work better and providing a means for employees to progress to higher levels of pay as their skills and knowledge increase. This makes the employee more flexible in the assignment of work tasks and more valuable to the Depot as a resource.

Community Outreach

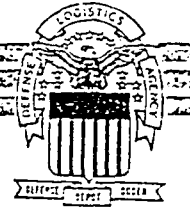
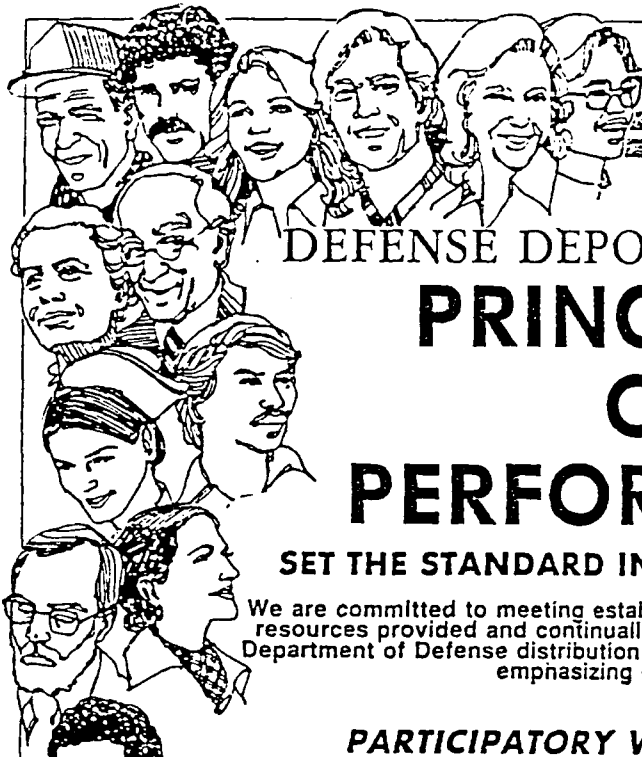
The Community Outreach program is being established to let the taxpaying community know what DDOU is doing to increase the efficiency and effectiveness of how we manage our resources.

Customer Interface Program

DDOU is currently developing a Customer Interface Program to assist employees in understanding the needs of our external customers. Employees from function areas such as quality, warehousing, and transportation will visit our major customer installations to find out first hand how we can better serve our customers. This will aid in marketing the Total Quality Management concept externally and will build closer relations with our customers. As we increase our knowledge of our customers' needs we will be better able to improve our processes and increase the quality of service we provide.

APPENDIX C

PRINCIPLES OF PERFORMANCE



DEFENSE DEPOT OGDEN UTAH

PRINCIPLES OF PERFORMANCE

SET THE STANDARD IN DEFENSE DISTRIBUTION

We are committed to meeting established performance standards within the resources provided and continually earning our reputation as the leader in Department of Defense distribution by exceeding customer expectations and emphasizing quality in all we do.

PARTICIPATORY WORK ENVIRONMENT

We are creating an environment which encourages teamwork, trust, respect, and recognition as the normal way of doing business.

INCREASE PRODUCTIVITY

We aggressively extend our initiatives in depot modernization, human resource management, quality of work life, improved work force involvement, exploiting new technology, and eliminating or minimizing marginally effective efforts.

WORK LOAD—EXPANDED MISSION

We actively pursue opportunities to increase our support to the Defense Logistics Agency and the Department of Defense. We are improving our posture to expand on present missions and to accept additional missions by ensuring our competitive advantage, maximizing the readiness of our plant facility, continually improving our space utilization, and remaining proactive in our approach to attracting an increasing work load.

COSTS—REDUCE OVERHEAD

We must be good stewards of public funds. We encourage a work force alert to opportunities for cost effective improvements. We produce a quality product at lowest cost. We recognize and challenge all influences that increase overhead and always seek to eliminate areas of fraud, waste, and abuse. We are identifying and eliminating areas with marginal payback including labor and non labor. We explore initiatives to reduce costs through automation and mechanization.

TECHNOLOGY ADVANCEMENTS

We apply state-of-the-art technology to the greatest advantage in functional and support areas to ensure optimum responsiveness. We encourage and pursue prototype efforts in order to remain on the cutting edge of new technology application.

ADDRESS ENVIRONMENTAL CONCERNS

We are sensitive to public concern. We maintain a high quality hazardous materials and waste program in full compliance with federal, state, and local laws and regulations. We are conscious of our responsibility as a member of the community and continually strengthen our relations with involved local governments and agencies.

APPENDIX D

TQM - PFK MATRIX

TQM CONNECTION

<u>Element</u>	<u>PRK</u>	<u>TQM</u>
Continuous Improvement	X	X
Increase Productivity	X	X
Leadership Responsibility	X	X
Process Analysis by Manager		X
Process Analysis by Worker	X	X
Work Measurement	X	X
Work Standards		
Reduce Inspection		X
Encourage Innovation	X	X
Training for: Managers	X	X
Workers	X	X
Quality of Work Life	X	X
Improve Communication:		
from worker to manager	X	X
from worker to worker	X	X
manager to manager	X	X
Teaming	X	X
Customer Evaluation:		
Internal		X
External		X
Participative Management	X	X

APPENDIX E

FORMS

TQM PROJECT OVERVIEW

MANAGER:

DATE:

PHONE:

Identify Process or Problem:

Goal or Expected Outcome:

TQM Consulting Team Member:

Phone:

Project Number:

ESC Presentation:

☐

APPROVE

☐

DISAPPROVE

Comments:

Signature

PAT MISSION STATEMENT

Problem Or Process To Be Studied:

Boundaries/Limitations to Project:

Goal Or Expected Outcome:

Beginning Date: _____

Mgr Meeting Date: _____

Target Compl. Date: _____

Frequency: _____

PAT Members:

Team Leader -

-

-

-

-

-

-

Manager: _____